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**T-Mobile Comments on
Auction No. 66 Public Notice
*February 23, 2006***

- **T-Mobile is pleased the FCC has decided to commence the AWS Auction on June 29, 2006, as announced**
- **AWS spectrum is critical to continued competition and product choice in the marketplace for advanced services**
- **FCC Commissioners individually have recognized the importance of commencing the auction as soon as possible**
- **US Cellular, RTG, Alltel, and CTIA also support a June 29 auction date**

- **The AWS Auction is the most significant CMRS auction in a decade in terms of number of licenses, total spectrum, and projected revenues. It is too important to risk innovation or experimentation**
- **Likely to be a highly competitive auction, which is the best safeguard against problems**
- **T-Mobile supports auction procedures that have precedent in previous auctions and are consistent with best practices**

- **The FCC should auction the AWS licenses in a single auction with full transparency as to license selections, upfront payments, and round-by-round results**
- **Only one potential bidder (Verizon) advocates concealing bidder information—virtually every other commenter, representing the full spectrum of the industry, supports transparency**
- **Similarly, only one potential bidder (Verizon) supports package bidding—most potential bidders support a single auction without package bidding**

Benefits of a Single SMR Auction

- **Fully “road tested”**
- **Provides small and large bidders with the maximum degree of flexibility to consider and bid on alternatives**
- **Does not present the complexity or difficulties associated with package bidding**
- **Eligibility management between two auctions and arbitraging between licenses would be extremely difficult**
- **“SMR auction format, together with a bandplan which offers bidders the option to bid on several blocks of large regional licenses, will provide bidders with the opportunity to create efficient aggregations of licenses”**
- **Holding auctions sequentially does not solve problem**

Benefits of Transparency

- **Promotes rational bidding that can result in higher auction revenues**
- **Disclosing license selections, upfront payments, and round-by-round results is a “tried-and-true” practice**
- **Could disadvantage bidders, such as T-Mobile, with known spectrum positions**
- **Avoids information leaks during this important auction**
- **Ironically, concealing bidder information could chill participation in the auction**

- **T-Mobile supports other FCC standard proposals in public notice:**
 - \$0.05/MHz/pop for upfront payments and minimum opening bids
 - Two-stage activity rule (80% in Stage One and 95% in Stage Two)
 - Bidding increments in any of the nine proposed amounts
 - Three activity rule waivers and bid withdrawals in two rounds
 - Setting interim and additional default penalties each in the amount of 10% of applicable bids

Conclusion

- **Auction No. 66 is too important to experiment with package bidding or concealment of bidder information**
- **FCC should experiment with these methods in a smaller, less high-profile auction**
- **Most importantly, the FCC should conduct Auction No. 66 of AWS spectrum on schedule so carriers like T-Mobile can meet consumer demand for an increasing range of affordable wireless services**